



## Are You “Just Winging It” With Your Planned Giving Program?

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Imagine this scenario. Your organization’s fiscal year just ended. The VP of advancement, your boss, summons you to her office. She asks about your objectives for the planned giving program in the next fiscal year. Your response: “I don’t have a formal plan.” Without a detailed annual plan, essentially you just told your VP that you are “just winging it.”

Many charities end their fiscal year on June 30. On July 1, or whatever the first day of the new fiscal year is for your organization, best practices dictate that an annual plan for your planned giving program should be in place for the new fiscal year. This applies whether your planned giving program consists of only bequest intentions or a full menu of gift vehicles including life income gifts. Just as planned gift fundraising often involves many parties, the same process applies when crafting an annual plan.

### **A Collaborative Process**

Your annual plan needs to be a collaborative process. All planned giving staff should be at the table. Have a preliminary discussion with your supervisor to get any perspectives she has for the direction of your program and ask about the budget you can expect. Departments that interact with planned giving should become part of the planning group. Communications and marketing, major gifts, research, and the finance office are just some of the units that possibly should be part of the process.

### **Looking Back Before Looking Ahead**

To know where you’re going, it helps to look at where you’ve been. If you had a plan for the previous year, which parts of the plan worked, which didn’t, and why? Were goals met or did they fall short? Was a valuable gift of real estate declined because your gift acceptance policies were insufficiently clear about the due diligence process? Analyzing last year’s activity lays the foundation for the new annual plan. Analyzing the past five years of activity points to trends and future performance.

## **Align Your Plan With Organizational Priorities**

Make sure your annual plan coordinates with organizational priorities. If your charity is in a campaign, what does your planned giving program need to do to help meet campaign goals? If bequest commitments are being counted as part of the campaign, then that should be the focus of your plan for the next fiscal year.

## **Focus on Those Areas That Will Enhance Results**

There are several components to every planned giving program, depending on the scope of the program. They are: (1) infrastructure (gift acceptance policies, budget, staffing, operations, administration, legal compliance); (2) donor interactions (prospect identification, visits, cultivation, stewardship); and (3) marketing and communications (outreach to the constituency). The annual plan should focus on those areas that will enhance performance and results. Does the rejected real estate gift referenced above make revisiting gift acceptance policies a priority? Is marketing generating the desired number of planned giving prospects? Does marketing reflect the constantly evolving methods of delivering messaging to constituents? Identify those program areas that are creating barriers to performance or where newer methods, perhaps being used by peer organizations, are getting results. Those are the areas that your annual plan should address.

## **Dollar Goals – Not a Time for a Trip to Fantasyland**

Understandably, most supervisors will want dollar goals as part of the annual plan. Projecting new gift dollars can be tricky. Certainly, you'll want to look at what has been raised in planned gifts over the last five or more years. Do you see a trajectory? If the numbers are sporadic from year to year, a more in-depth analysis is warranted. Was a seven-figure trust gift made in one year that pushed up your numbers that year? Was your marketing budget cut in two or more years that may be responsible for fewer gifts in those years? Meet with gift officers to learn what planned gifts they anticipate closing in the new fiscal year, and at what gift amounts. While the natural inclination (and what is often expected) is to project a higher gift total than in the previous fiscal year, if you project a lower number be prepared to justify your projection. Projecting a figure that does not reflect the reality of your program will potentially result in a difficult conversation later.

## **Implementation, Implementation, Implementation**

No annual plan is complete or will be effective without concrete steps for implementation. For example, maybe your annual plan calls for adding 20 new members to your legacy society. How many prospects need to be asked to meet the goal and how will that happen? Review your ratio of prospects turned into legacy society members or realized planned gifts. As part of the implementation plan, involve major gift officers, communications and marketing staff, and prospect researchers. Mutually agree on expectations for each group. Monitor progress frequently to keep all stakeholders accountable for their role in the implementation plan. Each priority in your annual plan requires an implementation plan.

## **Conclusions**

Writing an annual plan takes time and collaboration. Once completed, it's a valuable document to help guide you to success in your new fiscal year. Without a plan, you're "just winging it."